

# Public School Support

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2006 Total App</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Approp</b>	<b>FY 2008 Request</b>	<b>FY 2008 Gov Rec</b>
<b>BY DIVISION</b>					
Administrators	76,845,500	76,845,500	81,451,200	84,227,000	87,634,100
Teachers	699,978,600	699,978,600	742,906,400	791,234,400	800,548,100
Operations	291,347,800	291,347,800	538,627,200	575,064,300	558,758,500
Children's Programs	123,955,600	123,955,600	132,246,100	168,968,100	159,418,100
Facilities	13,450,000	13,450,000	22,722,900	38,800,000	31,150,000
<b>Total:</b>	<b>1,205,577,500</b>	<b>1,205,577,500</b>	<b>1,517,953,800</b>	<b>1,658,293,800</b>	<b>1,637,508,800</b>
<b>BY FUND CATEGORY</b>					
General	995,344,700	995,344,700	1,291,587,000	1,383,148,800	1,362,363,800
Dedicated	45,232,800	45,232,800	51,366,800	60,145,000	60,145,000
Federal	165,000,000	165,000,000	175,000,000	215,000,000	215,000,000
<b>Total:</b>	<b>1,205,577,500</b>	<b>1,205,577,500</b>	<b>1,517,953,800</b>	<b>1,658,293,800</b>	<b>1,637,508,800</b>
Percent Change:		0.0%	25.9%	9.2%	7.9%
<b>BY OBJECT OF EXPENDITURE</b>					
Lump Sum	1,205,577,500	1,205,577,500	1,517,953,800	1,658,293,800	1,637,508,800

## Department Description

Provide state and federal funding to local school districts and public charter schools for public education, grades K-12.

# Public School Support Agency Profile

Analyst: Hancock

## Comparison of Public School Budget Proposals

	FY 2006 APPROP.	FY 2007 APPROP.	FY 2008 REQUEST	FY 2008 GOV. REC.
<b>I. STATE APPROPRIATION</b>				
<b>A. Sources of Funds</b>				
1. General Fund	\$987,110,000	\$1,291,587,000	\$1,382,512,900	\$1,362,363,800
<i>percent change from prior year:</i>	2.3%	30.8%	7.0%	5.5%
2. Dedicated Funds	\$45,232,800	\$51,366,800	\$60,145,000	\$60,145,000
3. Federal Funds	\$165,000,000	\$175,000,000	\$215,000,000	\$215,000,000
<b>4. TOTAL STATE APPROPRIATIONS</b>	<b>\$1,197,342,800</b>	<b>\$1,517,953,800</b>	<b>\$1,657,657,900</b>	<b>\$1,637,508,800</b>
<i>percent change from prior year:</i>	2.7%	26.8%	9.2%	7.9%
<b>II. PROGRAM DISTRIBUTION</b>				
<b>A. Statutory Requirements</b>				
1. Property Tax Replacement	\$75,000,000	\$0	\$0	\$0
2. Transportation	\$60,521,600	\$64,316,700	\$67,032,300	\$67,032,300
3. Border Contracts	\$800,000	\$800,000	\$1,000,000	\$1,000,000
4. Exceptional Contracts/Tuition Equivalents	\$5,750,000	\$5,750,000	\$6,075,000	\$6,075,000
5. Floor	\$395,500	\$0	\$0	\$0
6. Program Adjustments	\$400,000	\$435,000	\$480,000	\$480,000
7. Salary-based Apportionment	\$697,958,200	\$740,842,100	\$777,325,200	\$790,705,400
8. Teacher Incentive Award	\$696,400	\$313,200	\$166,100	\$166,100
9. State Paid Employee Benefits	\$126,161,700	\$133,897,900	\$140,479,500	\$142,893,200
10. Early Retirement Program	\$4,600,000	\$4,750,000	\$4,750,000	\$4,750,000
11. Bond Levy Equalization	\$4,527,500	\$6,300,000	\$13,150,000	\$10,000,000
12. Idaho Safe & Drug-Free Schools	\$4,700,000	\$5,500,000	\$7,000,000	\$7,000,000
<b>13. Sub-total -- Statutory Requirements</b>	<b>\$981,510,900</b>	<b>\$962,904,900</b>	<b>\$1,017,458,100</b>	<b>\$1,030,102,000</b>
<b>B. Other Program Distributions</b>				
1. Technology & Remediation	\$9,500,000	\$9,800,000	\$9,800,000	\$9,800,000
2. Idaho Reading Initiative	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000
3. Limited English Proficiency (LEP)	\$5,060,000	\$6,040,000	\$6,040,000	\$6,040,000
4. Gifted & Talented	\$500,000	\$500,000	\$1,000,000	\$500,000
5. Idaho Digital Learning Academy	\$900,000	\$1,100,000	\$1,800,000	\$1,100,000
6. School Facilities Funding (Lottery)	\$8,922,500	\$10,772,900	\$20,000,000	\$15,500,000
7. School Facilities Maintenance Match	\$0	\$5,650,000	\$5,650,000	\$5,650,000
8. Classroom Supplies	\$0	\$0	\$5,180,000	\$0
9. Textbook Allowance	\$0	\$0	\$9,950,000	\$0
10. ISAT Remediation	\$0	\$0	\$6,000,000	\$0
11. Dual Credit Class Allowance	\$0	\$0	\$2,500,000	\$0
12. Math Initiative	\$0	\$0	\$350,000	\$0
13. Safe School Study	\$0	\$0	\$150,000	\$0
14. Rural School Initiative	\$0	\$0	\$100,000	\$0
15. Federal Funds to Local School Districts	\$165,000,000	\$175,000,000	\$215,000,000	\$215,000,000
<b>16. Sub-total -- Other Program Distributions</b>	<b>\$192,682,500</b>	<b>\$211,662,900</b>	<b>\$286,320,000</b>	<b>\$256,390,000</b>
<b>TOTAL CATEGORICAL EXPENDITURES</b>	<b>\$1,174,193,400</b>	<b>\$1,174,567,800</b>	<b>\$1,303,778,100</b>	<b>\$1,286,492,000</b>
<b>III. PUBLIC EDUCATION STABILIZATION FUNDS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>IV. STATE DISCRETIONARY FUNDS</b>	<b>\$23,149,400</b>	<b>\$343,386,000</b>	<b>\$353,879,800</b>	<b>\$351,016,800</b>
<b>V. ESTIMATED SUPPORT UNITS</b>	<b>13,150</b>	<b>13,500</b>	<b>13,775</b>	<b>13,800</b>
<b>VI. STATE DISCRETIONARY \$/SUPPORT UNIT</b>	<b>\$1,760</b>	<b>\$25,436</b>	<b>\$25,690</b>	<b>\$25,436</b>
<b>VII. LOCAL DISCRETIONARY \$/SUPPORT UNIT</b>	<b>\$22,935</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>VIII. TOTAL DISCRETIONARY \$/SUPPORT UNIT</b>	<b>\$24,695</b>	<b>\$25,436</b>	<b>\$25,690</b>	<b>\$25,436</b>
<i>percent change from prior year:</i>	1.0%	3.0%	4.0%	0.0%
FY 2008 Idaho Legislative Budget Book	1 - 5			State Board of Education

# Public School Support Agency Profile

Analyst: Hancock

## Public Schools Funding Formula

At the core of Idaho's Public Schools funding system is a formula that determines the amount of money that each school district is entitled to receive. This formula multiplies the four factors shown below:

$$\begin{array}{r} \text{Support Units} \\ \text{times} \\ \text{Staff Allowance} \\ \text{times} \\ \text{Base Salary} \\ \text{times} \\ \text{Experience/Education Index} \end{array}$$

The product of the above calculation, which is done for each school district in the state, is called the district's "salary-based apportionment". This is then multiplied by the variable state paid employee benefits of 18.04%, as shown below. These include retirement program costs that the employer pays, associated with PERSI and FICA, on every salary dollar that the state funds. The cost of unemployment insurance is then added:

$$\begin{array}{r} \text{Salary-Based Apportionment Funds} \\ \text{times} \\ \text{State-Paid Variable Benefit Rate} \\ \text{plus} \\ \text{Unemployment Insurance} \end{array}$$

The result of the above calculation, which is done for each school district in the state, is called the district's "state-paid employee benefits". The third and final piece of the core funding formula is then calculated. To do this, the Legislature must first establish in the Public Schools Division of Operations budget the amount of discretionary funds that are available on a per unit basis (\$25,436 for FY 2007). The following calculation is then made:

$$\begin{array}{r} \text{Per Unit Discretionary Funds} \\ \text{times} \\ \text{Support Units} \end{array}$$

The product of the above calculation, which is done for each school district in the state, is called the district's "discretionary funds".

On the facing page you will find a list of many of the terms used on this page.

# Public School Support Agency Profile

Analyst: Hancock

## Public Schools Funding Formula Terminology

**Support Units** are the foundation of how schools in Idaho are funded, and are often thought of and referred to as "classroom units". The state does not fund school districts based on the number of students, it funds them based on the number of support units. A school district generates support units, however, based on the number of students it has in average daily attendance in various categories, such as kindergarten, elementary, and secondary. These student counts are then divided by a series of divisors found in Section 33-1002, Idaho Code. For example, a school district with 440 students categorized as secondary students (grades 7-12) would be assigned a divisor of 16.0, which means that school district would receive 27.5 support units of funding. School districts with more students receive larger divisors, while smaller districts receive smaller divisors. As a result, a small district needs fewer students to generate a support unit of funding than a large district. Some of the reasons for this arrangement include that larger districts can usually operate more efficiently, with greater economies of scale than small districts, and that small districts still need to be able to offer students a thorough, comprehensive education, in spite of their small size.

**Staff Allowance** establishes the number of staff positions to be funded by each support unit. Section 33-1004, Idaho Code sets these levels at 1.1 instructional staff, 0.075 administrative staff, and 0.375 classified staff. The state funds more than one teaching position per support unit, or "classroom", because there are a number of positions categorized as instructional that are not regular classroom teachers. These can include school counselors, librarians, and special education instructors.

A **Base Salary** is assigned for each of the staff categories. These base salary figures are \$18,648 for classified staff, \$33,760 for administrative staff, and \$23,210 for instructional staff.

The **experience/education index** provides for an escalating series of salary multipliers for instructional and administrative staff (the classified staff portion of the formula ends with the base salary funding component). This component of the formula provides more funding for teachers and administrators with more experience and education than it does for those that are less experienced and educated. This table of multipliers, which runs from zero years of experience to 13+ years, and includes seven different levels of educational achievement, can be found in Section 33-1004A, Idaho Code. Because of the way the table appears in Idaho Code, years of experience are often referred to as "steps", and educational achievement as "lanes". Multipliers range from 1.0000 to 2.0126. Whatever multiplier a staff member receives is multiplied against the base salary for that type of staff. For example, an administrative staff member with 15 years of experience and a master's degree, plus 12 additional college credits, would receive a multiplier of 1.7371, and would be allocated \$58,644. A teacher with the same profile would receive an allocation of \$40,318, since instructional staff have a lower base salary than administrative staff. Instructional staff, however, can never be allocated less than \$27,500, regardless of low multipliers, since the state funds each instructional position at a minimum of \$27,500, which matches and fully funds the state mandate that teachers in Idaho be paid a minimum of \$27,500.

**Salary-Based Apportionment** is the result of the four-part funding formula described above, and on the previous page.

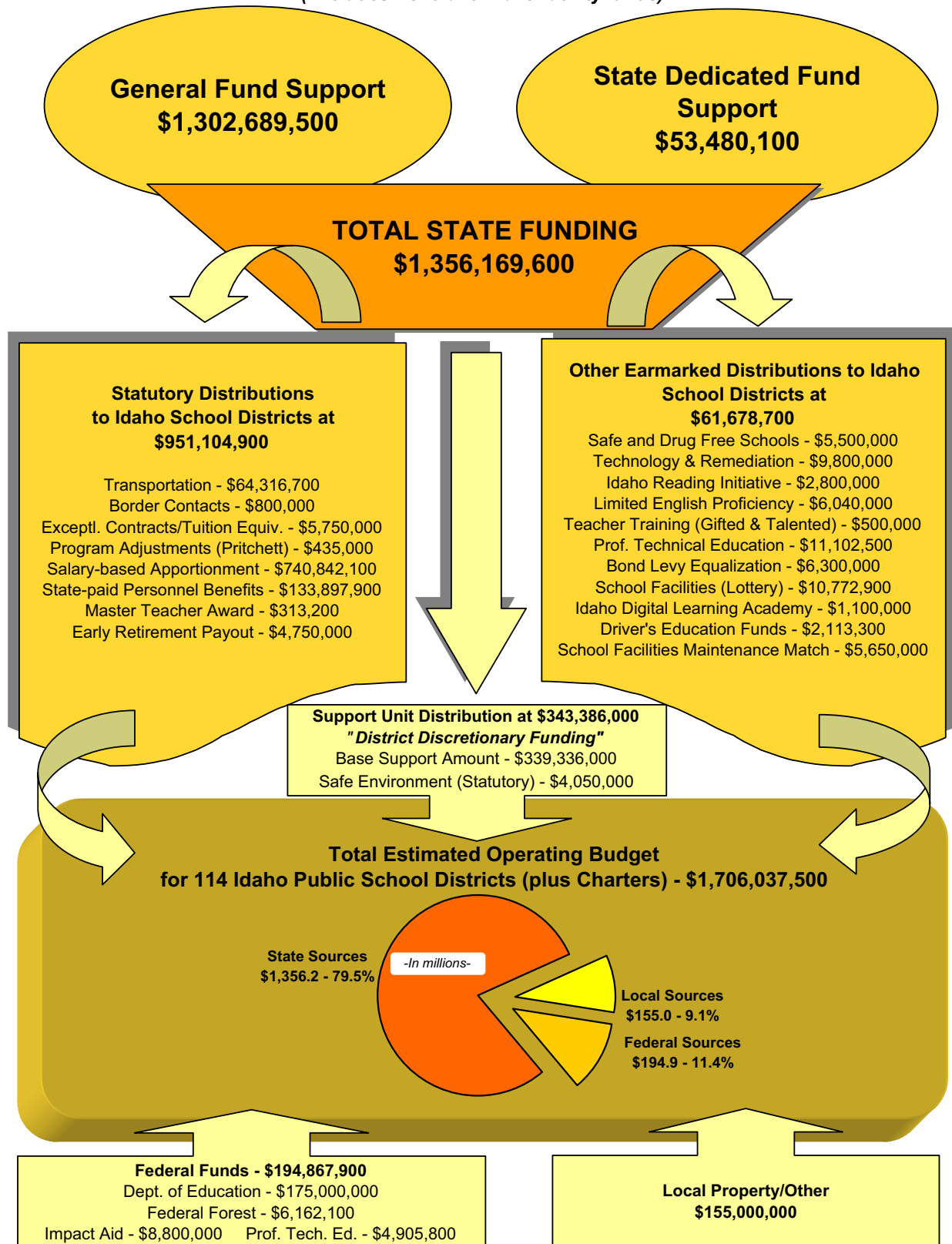
**State-Paid Employee Benefits** include the employer (school district) share of Public Employee Retirement System of Idaho (PERSI) contributions and federal FICA taxes. These dollars are only paid based on the salary funds that the state provides. If a school district employs more personnel than the state funds, or pays higher salaries than the state funds, then the additional PERSI and FICA costs associated with those extra expenditures are borne by the school district. State-Paid Employee Benefits also include unemployment insurance.

**Discretionary Funds** are those dollars appropriated for public schools that are not needed to satisfy either the other formula funding requirements of Idaho Code, or line-item earmarks in the appropriation bill. These dollars are added to salary-based apportionment and state-paid employee benefit funds. Discretionary funds can be spent in any way the district chooses, based on locally-established priorities.

# Public School Support Agency Profile

Analyst: Hancock

## IDAHO PUBLIC SCHOOL OPERATIONAL SUPPORT - FY 2007 FUND FLOW (Excludes Bond and Plant Facility funds)



# Public School Support Agency Profile

Analyst: Hancock

## Public Schools Activity/Performance Measures & Financial Information

Selected Measures (FY 2005-2006 -- Most recent available for personnel, salary & enrollment info.)

Local School District Certified Personnel	FY 2005	FY 2006	# Change	% Change
District Administration	370.12	383.34	13.22	3.6%
School Administration	715.89	714.74	(1.15)	(0.2%)
Student Services	1,277.83	1,293.98	16.15	1.3%
<b>Instructional Services:</b>				
Elementary Teachers	7,331.64	7,516.59	184.95	2.5%
Secondary Teachers	6,891.24	7,004.43	113.19	1.6%
<b>Sub-total - Teachers</b>	<b>14,222.88</b>	<b>14,521.02</b>	<b>298.14</b>	<b>2.1%</b>
<b>Statewide Total (FTE)</b>	<b>16,586.72</b>	<b>16,913.08</b>	<b>326.36</b>	<b>2.0%</b>

Certified Staff Total Salaries	FY 2005	FY 2006	# Change	% Change
Average Superintendent	\$84,510	\$83,753	(\$757)	(0.9%)
Average Assistant Superintendent	\$94,458	\$94,349	(\$109)	(0.1%)
Average Elementary Principal	\$67,932	\$68,851	\$919	1.4%
Average Secondary Principal	\$70,240	\$71,187	\$947	1.3%
Average Elementary Teacher	\$41,459	\$41,656	\$197	0.5%
Average Secondary Teacher	\$42,682	\$43,019	\$337	0.8%

Student Enrollment by Size of District	FY 2005	FY 2006	# Change	% Change
Over 5,000 Students (11 & 13 Districts)	129,756	142,953	13,197	10.2%
2,500 to 4,999 Students (14 & 13 Districts)	54,725	47,995	(6,730)	(12.3%)
1,000 to 2,499 Students (28 & 27 Districts)	42,501	39,999	(2,502)	(5.9%)
500 to 999 Students (20 & 19 Districts)	13,322	12,791	(531)	(4.0%)
Less than 500 Students (41 & 42 Districts)	9,725	10,166	441	4.5%
Charter Schools (18 & 24)	5,975	8,003	2,028	33.9%
<b>Statewide Total (FTE - 114 Districts)</b>	<b>256,004</b>	<b>261,907</b>	<b>5,903</b>	<b>2.3%</b>

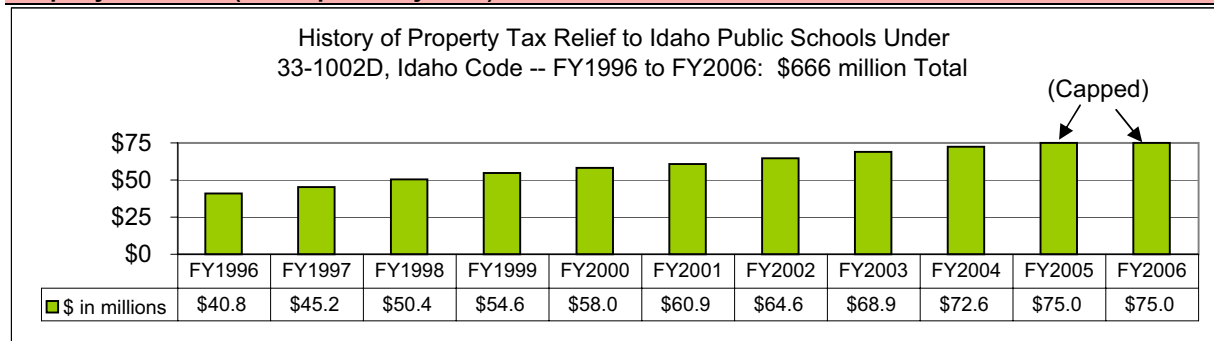
### High School Dropout Rate (Actual dropouts per grade level)

<b>01-02:</b> 9th Grade-2.51% -- 10th Grade-3.73% -- 11th Grade-4.85% -- 12th Grade- 4.36%
<b>02-03:</b> 9th Grade-2.52% -- 10th Grade-3.83% -- 11th Grade-4.64% -- 12th Grade- 4.73%
<b>03-04:</b> 9th Grade-1.92% -- 10th Grade-3.10% -- 11th Grade-3.84% -- 12th Grade- 3.82%

### 03-04 Testing Information: Percent of Idaho students achieving ISAT proficiency

**Reading:** 4th Grade-87% -- 8th Grade-82% -- 10th Grade-85% **Language:** 4th Grade-83% -- 8th Grade-74% -- 10th Grade - 78% **Math:** 4th Grade:-90% -- 8th Grade-69% -- 10th Grade-70%

### Property Tax Relief (now replaced by HB 1)



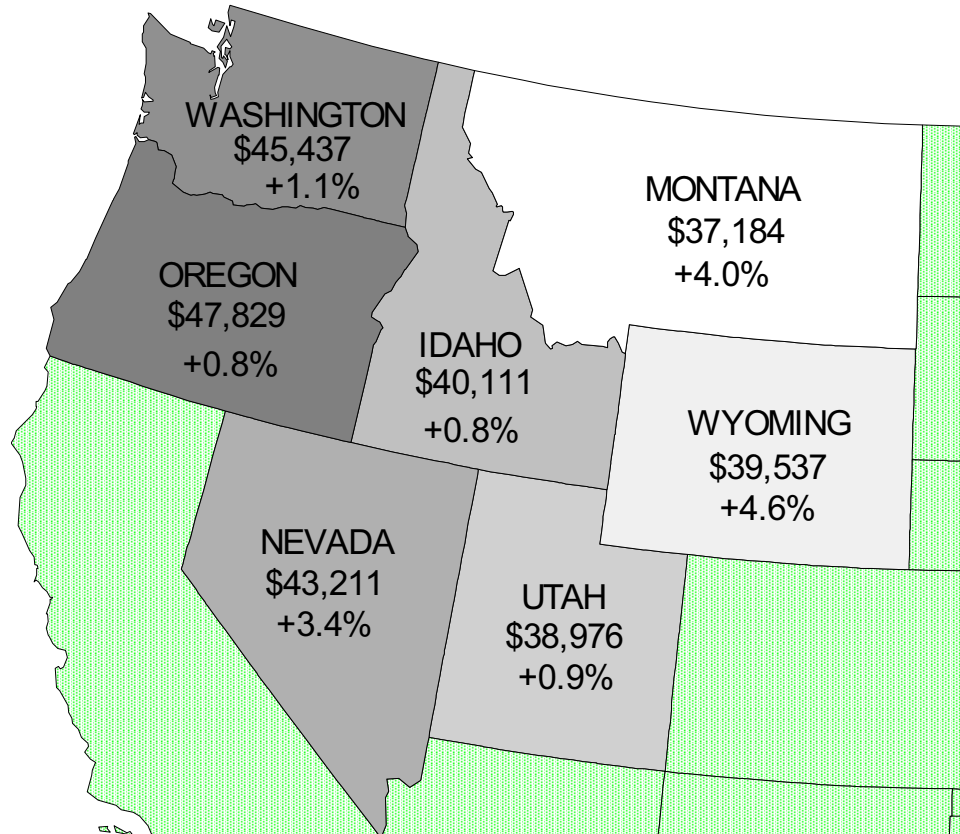
# Public School Support

## Agency Profile

Analyst: Hancock

### Regional Comparative Information on Average Teacher's Salaries: 2003-04

~includes percent change from prior year

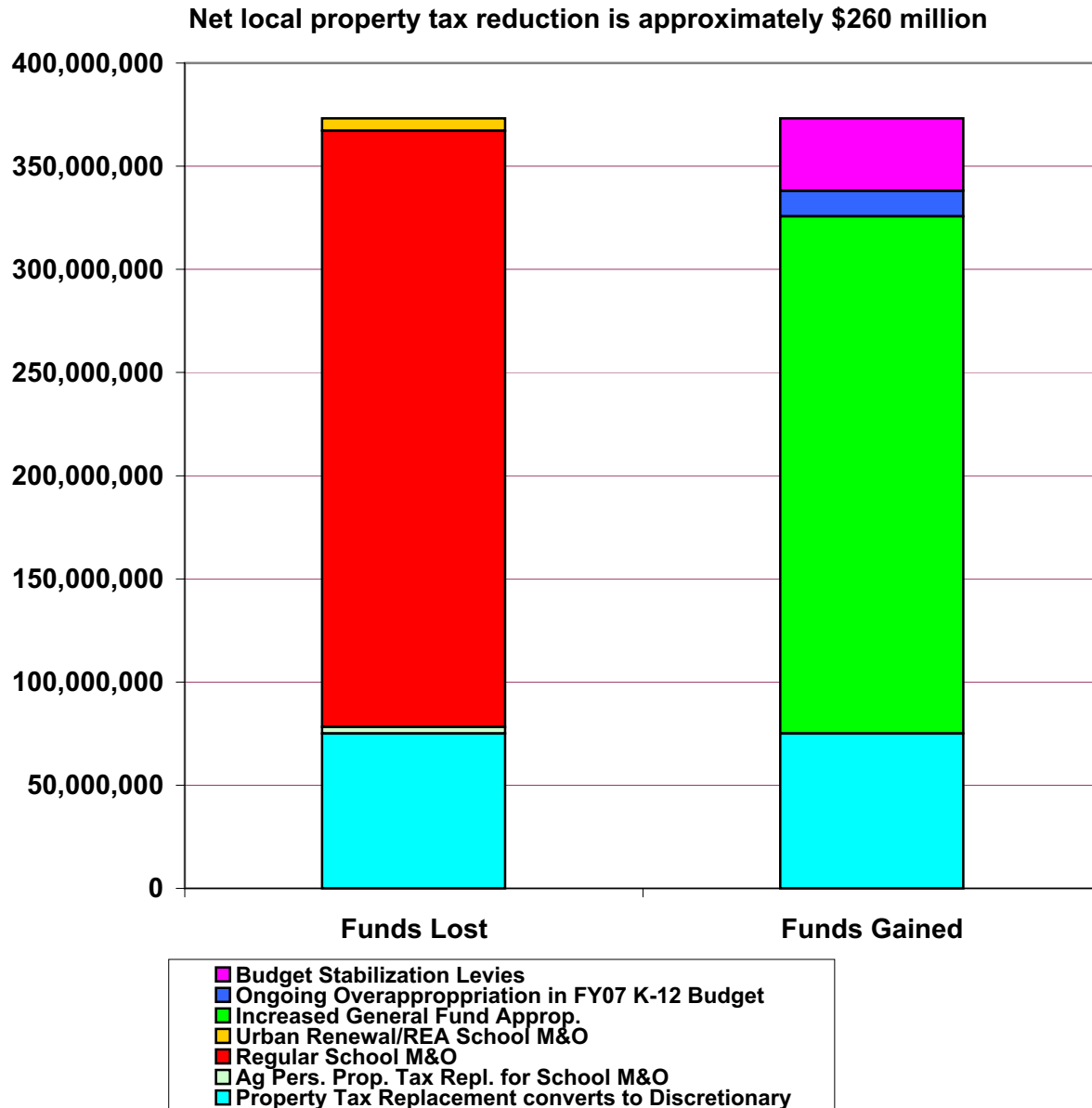


Source: American Federation of Teachers,  
Average Teacher Salary in 2003-04, State Rankings

- Idaho does not have a mandatory statewide salary schedule, apart from a requirement that each full-time teacher be paid at least \$30,000/year. Salaries are determined at a local district-by-district level based on individual collective bargaining agreements. The state provides for a salary-based apportionment formula which is based on state base salary and staff allowance factors, enrollment (the number of school district support units), and the average education and experience (index) in each district. This determines what the state will fund, although districts may exceed this using local resources.

- Idaho utilizes a base salary for purposes of determining the salary-based apportionment on a statewide basis. To change the value of the apportionment, apart from enrollment (support units) changes, a change to the base salaries as established in Idaho Code, Section 33-1004E, is normally required. The FY 2007 Public Schools appropriation funded a 3% increase in base salaries, from \$23,210 to \$23,906, as well as any increases driven by the experience/education index. The appropriation also funded a 9.1% increase in the minimum teacher salary, from \$27,500 to \$30,000.

## Funds Lost & Gained by Public Schools in HB 1



- **Blues and Greens** in the above chart represent state funds.
- **Reds, Pinks and Oranges** in the above chart represent various local property tax dollars, as individually described in the legend.
- **HB 1** represented a replacement of all School Maintenance and Operations (M&O) Levies, except a portion of the Boise School District's M&O Levy. However, Boise property taxpayers will still receive the same 0.3% M&O Levy rate reduction experienced by property taxpayers in other school districts.
- **Budget Stabilization Levies** may be imposed in four high property value school districts for the portion of the old M&O-based revenues that exceeded the amount of state equalization funding.